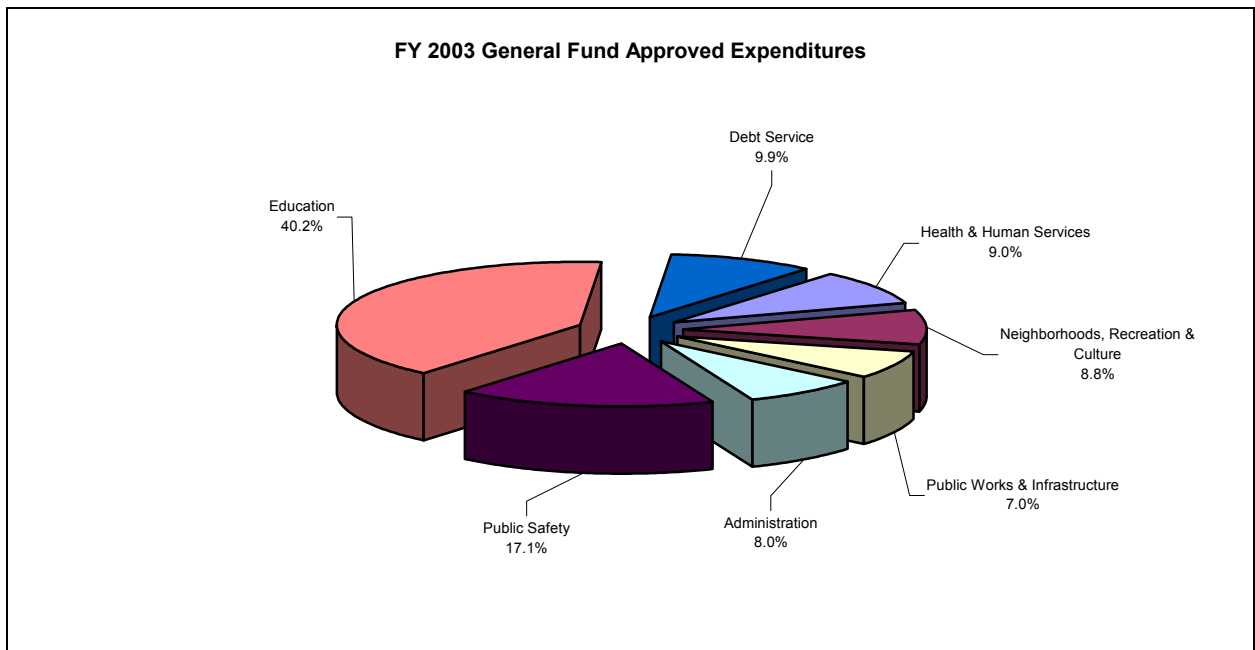


Major Expenditures

Norfolk's General Fund expenditures are grouped in seven major categories of spending. Like other local governments, Norfolk allocates a majority of its expenditures towards education, public safety, neighborhoods, recreation and culture. Health and human services, public works and infrastructure, debt service, economic development and administration form the other areas of spending for Norfolk.

Expenditure allocations recognize Council priorities, respond to citizen needs, and comply with state and federal mandates. The City of Norfolk's Approved Expenditure Budget for FY 2003 is for \$631.9 million, representing a growth of 4 percent over FY 2002. This is a net increase of \$27 million over the prior fiscal year.



Following is a description of the approved allocation of expenditures for FY 2003:

Education

Schools form a major priority for local government expenditure, as is reflected in the City Council's priorities. Education accounts for over 40.0 percent (\$254.2 million) of the City of Norfolk's budget for FY 2003. Of the total budget for schools, the City will fund 35 percent (\$88.8 million), while the State and Federal Governments will fund the remaining 65 percent (\$165.4 million). Not included in the proposed allocation comparative is the capital project cost and in-kind (but cost to the City) services provided to schools.

Public Safety

Public Safety is another important priority area for the City. Of the total funds, over 17.0 percent (\$107.9 million) has been earmarked for Public Safety. This represents a net increase of 7.0 percent (\$6.7 million) from the prior fiscal year. These funds go towards providing essential citizen services such as police, fire and paramedical services, and the emergency operations center. The Departments of Police, Fire-Rescue Services, Judicial and Public Safety Support make up this category.

Debt Service

Debt Service expenditures support capital projects and equipment. Two major financing vehicles include General Obligation Bonds and Lease Purchases. Debt Service supports all the City Council priority areas including community building, economic development, education, public accountability and public safety. For FY 2003, Debt Service is anticipated to be 9.9 percent (\$62.2 million) of the total budgeted expenditures. This represents an increase of 5 percent (\$3 million) over the prior fiscal year.

Health & Human Services

Health & Human Services includes the Departments of Public Health and Human Services. This category supports City Council priority areas of Community Building and Public Safety. Health and Human Services comprise 9.0 percent (\$57 million) of the budget for FY 2003. This represents a growth rate of 7 percent over the prior fiscal year.

Neighborhoods, Recreation & Culture

Neighborhoods, Recreation & Culture consists of Nauticus, Neighborhood and Leisure Services, Public Libraries, City Planning, Civic Facilities, Zoo, Non-Departmental Appropriations, and Economic Development. This category represents 8.8 percent (\$55.7 million) of the budget for FY 2003. Neighborhoods, Recreation & Culture supports City Council's priority areas of Community Building, Economic Development, and Education.

Public Works & Infrastructure

The Departments of Public Works & Facilities and Enterprise Management support Community Building and Economic Development priorities. These Departments represent 7.0 percent (\$44.3 million) of the budget. This category grew by 3.0 percent over the prior fiscal year.

Administration

Administration provides leadership and linkages to all the Council priority areas and ensures Public Accountability. The Departments of Legislative, Executive, Law, Finance, Human Resources, Government Programs, Information Technology and Elections are included in this category. Administration forms 8.0 percent (\$50.3 million) of the budget.

FY 2003 GENERAL FUND EXPENDITURES CHART	
DEPARTMENT	BUDGET
Legislative	\$2,709,900
Executive	\$3,881,100
Department of Law	\$2,622,200
Department of Finance	\$6,778,600
Department of Human Resources	\$3,038,000
Judicial	\$32,446,100
Department of Public Health	\$5,100,800
Department of Human Services	\$51,907,500
Department of Public Works	\$31,553,200
Department of Neighborhood and Leisure Services	\$13,958,500
Department of Facility and Enterprise Management	\$12,830,400
Education	\$254,263,200
Norfolk Public Libraries	\$5,437,600
Elections	\$419,600
Department of City Planning	\$3,769,300
Department of Civic Facilities	\$4,180,700
General Government	\$24,161,900
Non-departmental Appropriations	\$25,044,700
Department of Police	\$47,463,500
Department of Fire and Paramedical Services	\$27,399,200
Public Safety Support	\$666,200
Debt Service	\$62,266,600
Department of Development	\$1,592,700
Department of Information Technology	\$5,765,500
Zoo	\$2,732,100
Total General Fund	\$631,989,100